

# Contract Summary Form

|                          |   |
|--------------------------|---|
| Vendor's Name / Address: | <b>U.S. Bank National Association</b><br><b>425 Walnut St.</b><br><b>Cincinnati, OH 45202</b> |
|--------------------------|---|

## Contract Summary:

|                  |  |                   |                    |
|------------------|--|-------------------|--------------------|
| Contract Type:   | Banking Services   | Service Provided: | Stored Value Cards |
| Summary:         | US Bank will provide the State with stored value card services, used to distribute various program benefits to unbanked recipients.                                    |                   |                    |
| Programs:        | Department of Labor<br>Department of Services for Children, Youth, and their Families<br>Department of Health and Social Services<br>(Note: New programs may be added) |                   |                    |
| Competitive Bid: | Yes  |                   |                    |
| Justification:   | Existing services subject to periodic RFP  |                   |                    |

## Duration Information:

|                       |                 |                            |              |
|-----------------------|-----------------|----------------------------|--------------|
| Date of Services:     | 3/4/19 - 3/4/22 | New Contract or Amendment: | New Contract |
| Contract Duration:    | 3 Years         | Previous Contract Dates:   | N/A          |
| Extensions Available: | Yes (2)         | Extension Duration:        | 2 years each |

## Pricing Information:

|                  |                             |              |  |
|------------------|-----------------------------|--------------|--|
| Contract Amount: | <i>No cost to the State</i> | Other Costs: | Cardholder Fees:<br>Out-of-network ATM<br>Express Replacement<br>Inactivity Fee<br>Currency Conversion |
|------------------|-----------------------------|--------------|--|

## Indemnification and Limitation of Liability:

|                           |  |
|---------------------------|--|
| State Indemnifying:       | No   |
| Vendor Indemnifying:      | Yes  |
| State liability limited:  | Yes – fees only  |
| Vendor liability limited: | Yes – actual damages only (no indirect, consequential, punitive) |

## Additional Details:

|                           |     |                            |  |
|---------------------------|-----|----------------------------|--|
| SLA:                      | Yes | Confidentiality Agreement: | Yes  |
| Cloud Services Agreement: | Yes | Data Usage Agreement:      | Yes  |
| Insurance:                | Yes | Insurance Details:         | Worker's Comp: Yes<br>General Liability: \$1m/\$3m<br>Professional Liability: \$6m<br>Automotive Liability: \$300k<br>Cyber Liability: \$25m |

## U.S. Bank – Firm Profile

**Firm Overview:** U.S. Bancorp is the parent company of U.S. Bank, the fifth largest commercial bank in the United States. U.S. Bank serves millions of retail, business, wealth management, payment, commercial and corporate, and investment services customers across the country and around the world.

**Market Share:** U.S. Bancorp has 3,106 branches, primarily in the Midwest. U.S. Bancorp typically has leading deposit-market share. It ranks either 1st or 2nd in five of its seven primary states. FDIC data also show that average annual growth (8%) over the past five years in U.S. Bancorp’s deposits has been above the industry’s (6%), suggesting market-share gains.

**Federal Reserve’s Stress Test:** U.S. Bancorp is one of 35 firms subject to an annual “stress test” by the Federal Reserve that was instituted after the financial crisis to grade financial institutions’ ability to withstand a severe financial crisis. If a bank fails the stress test, there are restrictions placed on the financial institution’s ability to pay dividends and share buybacks. U.S. Bancorp passed the most recent stress test in June 2018. U.S. Bancorp is recognized as having a history of conservative lending practices that is a positive for its credit profile, but may detract from profitability benefiting equity investors.

**Corporate Headquarters:** Minneapolis, MN

**Year Established:** 1863

**Bank Size by Assets and Rank:** \$462.0 billion, Ranked 7<sup>th</sup> in the United States and 67<sup>th</sup> globally.

**Total Deposits:** \$347.2 billion

**Total Loans:** \$280.4 billion

**Number of Employees:** 74,000

### Credit Ratings:

|                                  | Standard & Poor’s Rating | Moody’s Investor Services |
|----------------------------------|--------------------------|---------------------------|
| <b>Firm / Bank</b>               |                          |                           |
| Short-Term Unsecured Senior Debt | A-1+                     | P-1                       |
| Long-Term Unsecured Senior Debt  | AA-                      | A1                        |
| Outlook                          | Stable                   | Stable                    |
| <b>Bank Holding Company</b>      |                          |                           |
| Short-Term Unsecured Senior Debt | A-1                      | P-1                       |
| Long-Term Unsecured Senior Debt  | A+                       | A1                        |
| Outlook                          | Stable                   | Stable                    |

**Total Risk Based Capital Ratio: 12.5%**

**Tier 1 Risk Based Capital Ratio: 10.4%**

**Tier 1 Leverage Capital Ratio: 8.8%**

**Participant in Sheltered Harbor?: Yes**